

SERVICE

SOLUTIONS

SUCCESS



City of El Paso

FY 2013 City Manager's Proposed Budget

Joyce Wilson, City Manager





Introduction

- FY 2012 mid-year reduction of \$3.5 million
 - Bridge and ambulance revenue impact
- FY 2013 modest revenue projections
- Compensatory changes
- Focus on improved service delivery
 - Process improvement initiative
 - Streamlining leadership staff
 - Developing strategic business plans
 - Implement performance based budgeting





FY 2013 Priorities

- Implement plan following the Quality of Life bond election if voter approved in November 2012
- Subject to Council approval begin construction of Triple A baseball stadium and relocation of city offices
- Implement street infrastructure investment plan as authorized by Council
- Continue with IT investment program and performance enhancements
- Continue strategic business plan development - complete 15 departmental plans in 2013
- Expand efforts to reduce costs and improve performance for better service delivery
- Prepare to launch the bus Rapid Transit System in 2014

Note: We'll continue to monitor federal legislation regarding relief in bridge crossing wait time





FY 2013 Proposed Budget

All Funds Budget

FY 2012 \$714,834,193

FY 2013 \$753,676,763

Difference of: \$38,842,570 or 5.4%

General Fund Budget

FY 2012 \$322,168,680

FY 2013 \$335,123,340

Difference of: \$12,954,660 or 4.0%



FY 2013 Proposed Budget

All Funds Summary

<i>Character</i>	<i>Adopted FY 2012</i>	<i>Proposed FY 2013</i>	<i>FY 2013 Over/ (Under) FY 2012</i>	
Personal Services	344,763,815	354,524,042	9,760,227	2.8%
Contractual Services	121,381,831	132,638,565	11,256,734	9.3%
Materials and Supplies	48,446,291	51,105,243	2,658,952	5.5%
Operating Expenditures	37,580,943	37,082,828	(498,115)	(1.33%)
Non-Operating Expenditures	108,089,923	105,829,005	(2,260,918)	(2.09%)
Intergovernmental Expenditures	3,246,244	3,436,587	190,343	5.9%
Other Uses	33,718,823	48,006,164	14,287,341	42.4%
Capital Outlay	17,606,323	21,054,329	3,448,006	19.6%
<i>Grand Total</i>	714,834,193	753,676,763	38,842,570	5.4%





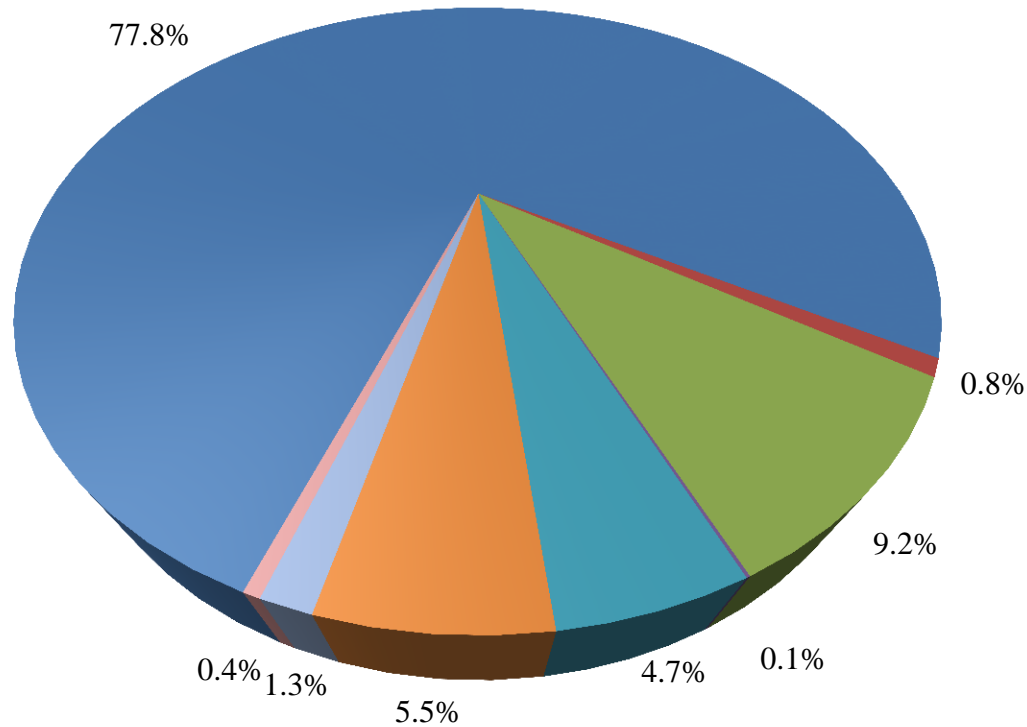
FY 2013 Proposed Budget General Fund Summary

<i>Character</i>	<i>Adopted FY 2012</i>	<i>Proposed FY 2013</i>	<i>FY 2013 Over/ (Under) FY 2012</i>	
Personal Services	251,123,241	260,688,717	9,565,476	3.8%
Contractual Services	29,892,624	30,978,506	1,085,882	3.6%
Materials and Supplies	15,368,706	15,889,796	521,090	3.4%
Operating Expenditures	19,186,421	18,560,974	(625,447)	(3.26%)
Non-Operating Expenditures	3,466,600	4,388,727	922,127	26.6%
Intergovernmental Expenditures	1,511,938	1,486,289	(25,649)	(1.70%)
Other Uses	1,456,150	2,806,005	1,349,855	92.7%
Capital Outlay	163,000	324,326	161,326	99.0%
Grand Total	322,168,680	335,123,340	12,954,660	4.0%





FY 2013 Proposed Budget General Fund by Character



- | | |
|--------------------------------|----------------------------------|
| ■ Personal Services | ■ Other Uses |
| ■ Contractual Services | ■ Capital Outlay |
| ■ Materials and Supplies | ■ Operating Expenditures |
| ■ Non - Operating Expenditures | ■ Intergovernmental Expenditures |



Department Summary

FY 2013 Proposed All Funds Budget

Department	FY 2012 Adopted Budget	FY 2013 Proposed Budget	FY 2013 Over/ (Under) FY 2012	
Airport	37,702,004	41,607,525	3,905,521	10.4%
City Attorney	4,439,901	4,686,973	247,072	5.6%
City Development	0	14,056,633	14,056,633	
City Manager	2,877,153	2,880,577	3,424	0.1%
Community & Human Dev.	16,984,725	14,876,599	(2,108,126)	(12.4%)
Convention & Perf. Arts Center	12,178,575	12,896,358	717,783	5.9%
Department of Transportation	17,157,915	17,416,985	259,070	1.5%
Engineering & Construction Mgt.	7,502,826	2,824,884	(4,677,942)	(62.3%)
Environmental Services	54,196,157	66,162,353	11,966,196	22.1%
Financial Services	3,438,235	3,278,621	(159,614)	(4.6%)
Fire	92,730,452	96,604,525	3,874,073	4.2%
General Services	43,534,095	48,530,637	4,996,542	11.5%
Human Resources	2,464,575	2,566,060	101,485	4.1%
Information Technology	13,177,287	15,080,230	1,902,943	14.4%
International Bridges	17,625,750	16,981,825	(643,925)	(3.7%)
Library	8,728,415	8,771,050	42,635	0.5%
Mass Transit - Sun Metro	61,164,909	63,026,684	1,861,775	3.0%
Mayor & Council	1,323,038	1,333,970	10,932	0.8%
Metropolitan Planning Office	1,713,022	1,764,680	51,658	3.0%
Municipal Clerk	5,700,109	6,238,082	537,973	9.4%
Museums & Cultural Affairs	4,177,003	4,574,707	397,704	9.5%
Non-Departmental	146,907,510	148,014,483	1,106,973	0.8%
Parks & Recreation	12,117,147	12,410,835	293,688	2.4%
Planning & Economic Dev.	4,538,467	0	(4,538,467)	(100.0%)
Police	115,472,643	119,781,059	4,308,416	3.7%
Public Health	19,052,491	19,366,408	313,917	1.6%
Tax	1,548,970	1,634,605	85,635	5.5%
Zoo	6,380,819	6,309,415	(71,404)	(1.1%)
Department Totals	714,834,193	753,676,763	38,842,570	5.4%





Department Summary

FY 2013 Proposed General Fund Budget

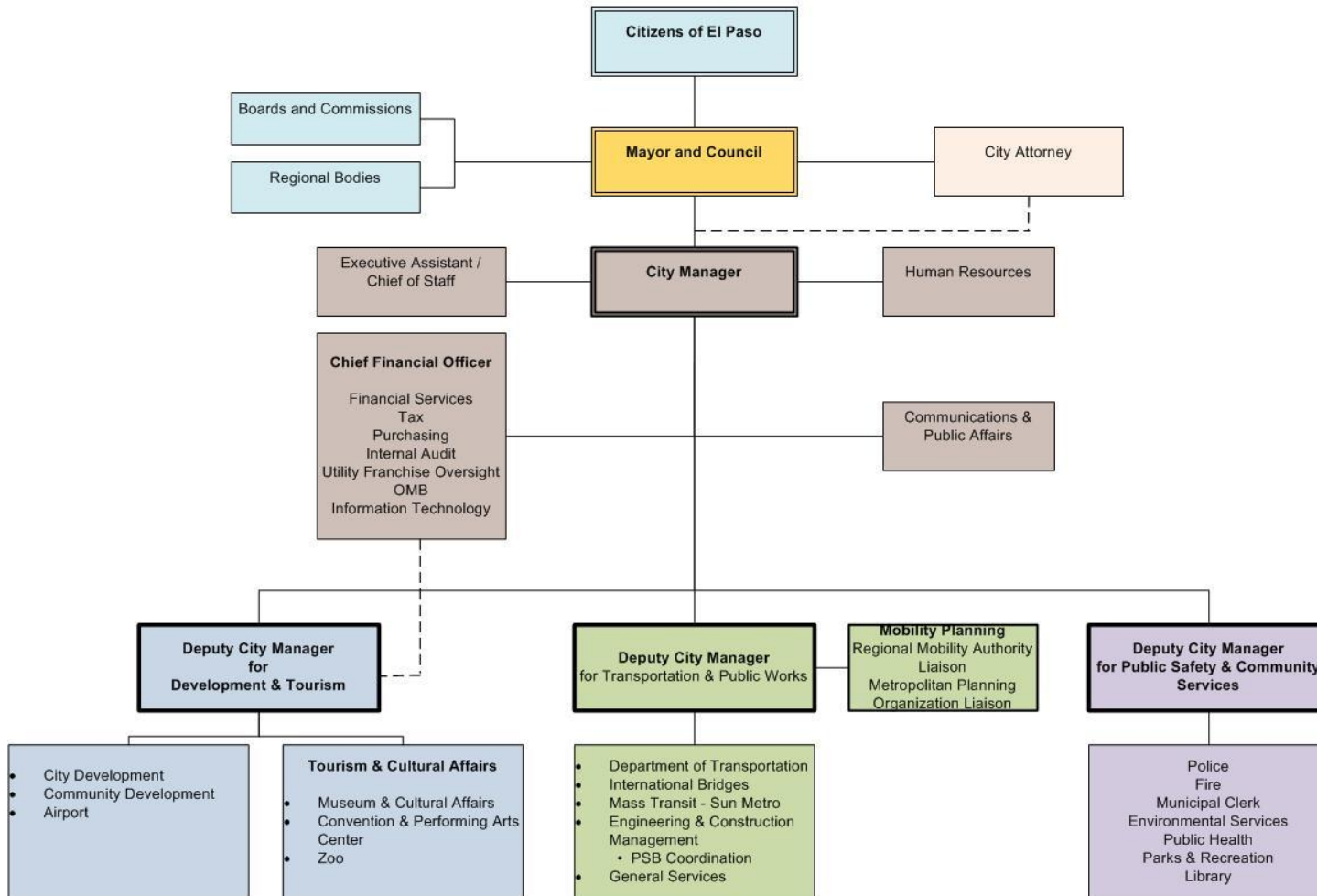
Department	FY 2012 Adopted Budget	FY 2013 Proposed Budget	FY 2013 Over/ (Under) FY 2012	
City Attorney	4,094,152	4,243,540	149,388	3.6%
City Development	0	8,471,200	8,471,200	100.0%
City Manager	2,877,153	2,880,577	3,424	0.1%
Community & Human Dev.	527,398	528,016	618	0.1%
Department of Transportation	13,404,395	13,520,707	116,312	0.9%
Engineering & Construction Mgt.	7,502,826	2,824,884	(4,677,942)	(62.3%)
Environmental Services	2,530,092	2,247,985	(282,107)	(11.2%)
Financial Services	3,164,108	3,052,861	(111,247)	(3.5%)
Fire	88,134,043	91,890,755	3,756,712	4.3%
General Services	25,625,292	27,273,422	1,648,130	6.4%
Human Resources	1,862,805	1,877,543	14,738	0.8%
Information Technology	11,810,537	14,657,624	2,847,087	24.1%
Library	8,529,540	8,656,780	127,240	1.5%
Mayor & Council	1,323,038	1,333,970	10,932	0.8%
Municipal Clerk	4,728,609	5,255,507	526,898	11.1%
Museums & Cultural Affairs	2,263,041	2,327,705	64,664	2.9%
Non-Departmental	8,091,823	8,226,537	134,714	1.7%
Parks & Recreation	11,790,471	12,077,703	287,232	2.4%
Planning & Economic Dev.	3,317,827	0	(3,317,827)	(100.0%)
Police	109,494,139	112,285,362	2,791,223	2.5%
Public Health	5,973,803	6,063,652	89,849	1.5%
Tax	1,548,970	1,634,605	85,635	5.5%
Zoo	3,574,618	3,792,405	217,787	6.1%
Department Totals	322,168,680	335,123,340	12,954,660	4.0%



SERVICE SOLUTIONS SUCCESS



City of El Paso Organizational Structure FY2013 Proposed



June 2012



Budget Highlights:

Development and Tourism

- City Development Department created by merging existing divisions of Economic Development, Planning, and Development Services. Funded all critical elements – planning, permits and inspections, economic development, and city real estate portfolio management.
- Convention and Visitors Bureau/Performing Arts Center operations include strategic communications plan development, expanded marketing and promotion, focus on increasing attendance as well as the FY13 USBC site fee installment.
- Museums and Cultural Affairs operations include funds for exhibits and Public Art Program major projects, e.g., Chalk the Block.





Budget Highlights:

Development and Tourism (cont'd)

- Zoo operations continued with new exhibit openings and renovations, e.g., giraffe encounter, and a themed tree house playground.
- Community and Human Development funding included for 30 non-profit agencies and revision to the distribution methodology for Community Development Block Grant, alternating district recipients to two per year.
- Airport's new consolidated rental car facility financed including materials and supplies for terminal expansion and maintenance due to increased space; continued airfield maintenance and repairs; and central plant energy improvements projected to decrease energy consumption by 36%, reduce carbon emissions, and increase savings.





Budget Highlights: *Transportation and Infrastructure*

- Sun Metro continues to focus on extended services, facilities, and related transit amenities; planned engine overhauls; completion of a \$38 million maintenance and operation facility; outsourcing of specialized transportation; and extending for five years and adding safety and training to existing management contract. Continued efforts will increase in preparation of the Alameda Avenue and Mesa Street Rapid Transit System corridors to open early 2014.
- International Bridges will reduce the bridge pedestrian fare and offer free meter parking on Saturdays to promote crossings and retail/cultural activities downtown; upgrades and additions to the digital parking meters are planned for improved service; bridge toll collection system enhancements also included to advance efficiencies.





Budget Highlights: *Transportation and Infrastructure (cont'd)*

- Transportation will use red light camera revenues and Certificates of Obligation for improvements/additions to: bikeways, traffic signals/synchronization, resurfacing/micro surfacing, reconstruction, unpaved rights of way, street median and parkway landscaping, residential traffic calming, and pedestrian elements, e.g., sidewalks, crosswalks, school signage.
- Engineering funding will provide for continued oversight of all essential functions necessary to plan and execute the City's Capital Improvement Program, including program management, design, procurement, construction inspection, and financial aspects of the program.





Budget Highlights: *Transportation and Infrastructure (cont'd)*

- General Services will focus on continued sustainability and energy efficiency initiatives, e.g., installation of 7,300 energy efficient LED streetlights and increasing the number of alternative fuel vehicles. In particular, \$1 million is to increase maintenance levels for 75 sports fields going from general park turf to sports turf. This will result in a total of 110 receiving a higher level of maintenance service, including nine staff, fertilizing, irrigating, and fencing, as well as “overseeding” up to 60 of these fields, all to extend the availability of sports fields for the Fall and Spring sports seasons.





Budget Highlights: *Public Safety and Community Services*

- Police's budget includes additional funds for more officers and report takers, contractual step and cost-of-living adjustments for uniformed personnel, a pilot for prisoner transport services, an academy of 45 cadets (February 2013), plus one more in the summer if needed.
- Fire and Emergency Management services receive funding for two new fire stations (#31 and #37), an additional ambulance at Fire Station #5, full implementation of the 311 customer service call center, and contractual step and cost-of-living adjustments for uniformed personnel.





Budget Highlights: *Public Safety and Community Services (cont'd)*

- Environmental Services' budget contains funds to increase staffing for enforcement and expanded hours in Animal Services; an additional position for the City's Sustainability Program; parks litter control; alley cleaning; and 10 replacement loaders powered by compressed natural gas.
- Public Health's budget maintains existing programs, e.g., testing/lab services, food safety/permitting, immunizations and Women, Infants, and Children support; and includes the replacement of a dental van, which has exceeded its useful life.





Budget Highlights: *Public Safety and Community Services (cont'd)*

- Municipal Clerk's budget addresses the citywide Quality of Life bond election and possible City Charter election in November 2012, City General Election in May 2013, and a possible June run-off.
- Parks and Recreation includes funding for increased staffing at recreation centers, seven new dual use park ponds, Mountain View skate park, playground enhancements, and nine (35 acres) new parks.
- Library's funding maintains existing service levels and includes \$1.17 million annually for books and materials.





Other Budget Highlights:

- Just under a \$300,000 net increase is provided for Human Resources, Financial Services, City Manager's Office, Tax Office, City Attorney, and the Mayor and Council's Office to continue serving City employees and citizens.
- Information Technology has funding for increased capital project management, centralization of technology contract management, repatriation of IT-related staff previously funded in other departments, and service improvements from growing demands of customer departments.
- OMB and the City Manager's office will continue process improvement and strategic planning initiatives.





Budget Highlights:

City Employees

- Pay plans for non-uniform employees have been revised to coincide with recent market updates; uniform increases are based on negotiated contracts.
- Employee health benefits include changes in the Basic and Buy-Up Plans to align benefits with contributions; 90-day prescription purchases will be limited to mail order only, office visit and prescription drug co-pays will be reduced under the Buy-Up Plan while employee contributions will increase; in-network deductibles under the Consumer Driven Health Plan will be reduced.
- Employee and employer pension contribution increases, 0.3% employee and 0.6% employer.





FY 2013 Proposed Full-Time-Equivalent Positions (All Funds)

Adopted FY 2012 : 6,272.01

Proposed FY 2013: 6,253.88

Variance: (18.13)

Sun Metro Adj.: (130.66)

Net Reduction: (148.79)

Notes:

- ❖ In addition to the reduction of 18.13 FTE, another 130.66 FTE will be removed from the City's payroll, effective November 11, 2012 with the outsourcing of specialized transportation services and safety/training functions in Sun Metro.
- ❖ General Fund provides for 4,159.17 FTE, an increase of 0.51 FTE from FY 2012.





FY 2013 Preliminary Tax Rate

Adopted FY 2012 Tax Rate:

Operations and Maintenance Rate	\$0.429236/\$100
Debt Services Rate	<u>\$0.229168/\$100</u>
Adopted Rate	\$0.658404/\$100

Proposed FY 2013 Tax Rate:

Operations and Maintenance Rate	\$0.438019/\$100
Debt Service Rate	<u>\$0.220385/\$100</u>
Proposed Tax Rate	\$0.658404/\$100

Preliminary Effective Tax Rate	\$0.622059/\$100
Preliminary Effective O&M Tax Rate	\$0.405542/\$100

Variance Proposed - Effective	\$0.036345
-------------------------------	------------



FY 2013 Preliminary Tax Rate

- Debt Service Requirement* - \$68,123,142
 - Decrease of \$1.6 million, 0.0088 or 9/10^{ths} of a penny from FY 2012
 - Decrease is net result of:
 - Using \$3 million in debt service reserves
 - Issuance of 2011 COs

*Note: Only represents tax supported debt.





FY 2013 Proposed All Funds Revenue

<i>Revenue Source</i>	<i>Adopted FY 2012</i>	<i>Proposed FY 2013</i>	<i>FY 2013 Over/ (Under) FY 2012</i>	
Taxes	\$328,332,114	\$338,814,767	\$10,482,653	3.2%
Franchises	\$60,888,442	\$65,012,671	\$4,124,229	6.8%
Service Revenues	\$109,704,436	\$111,061,335	\$1,356,899	1.2%
Operating Revenues	\$114,558,315	\$122,885,341	\$8,327,026	7.3%
Non-Operating Revenues	\$19,056,604	\$21,837,759	\$2,781,155	14.6%
Intergovernmental Revenues	\$37,842,111	\$38,388,830	\$546,719	1.4%
Transfers In	\$44,452,171	\$55,676,060	\$11,220,389	25.2%
<i>Grand Total</i>	\$714,834,193	\$753,673,763	\$38,839,570	5.4%





FY 2013 Proposed General Fund Revenue

<i>Revenue Source</i>	<i>Adopted FY 2012</i>	<i>Proposed FY 2013</i>	<i>FY 2013 Over/ (Under) FY 2012</i>	
Taxes	\$208,543,827	\$217,201,113	\$8,657,286	4.2%
Franchises	\$42,632,835	\$43,633,731	\$1,000,896	2.3%
Service Revenues	\$12,759,958	\$10,089,004	(\$2,670,954)	(20.93%)
Operating Revenues	\$30,020,336	\$31,838,569	\$1,818,233	6.1%
Non-Operating Revenues	\$4,198,804	\$7,005,683	\$2,806,879	66.8%
Intergovernmental Revenues	\$2,376,361	\$2,753,616	\$377,255	15.9%
Transfers In	\$21,636,559	\$22,601,624	\$965,065	4.5%
<i>Grand Total</i>	\$322,168,680	\$335,123,340	\$12,954,660	4.0%





General Fund Revenue Highlights

- Taxes - \$8.7 million or 4.2% increase
 - Property tax – \$4.7 million or 3.6% increase to fund public safety obligations and increased costs
 - Sales tax – \$3.6 million or 4.9% increase based on projected economic growth
- Franchises - \$1.0 million or 2.3% increase
 - Water Utilities – \$273,000 or 2.7% increase in line with historical trends
 - AT&T – \$447,474 or 7.4% increase due to cable business expansion





General Fund Revenue Highlights

- Service Revenue – \$2.7 million or 20.9% decrease
 - Ambulance – \$2.7 million decrease due to billing standardization and composition
- Operating Revenue - \$1.8 million or 6.1% increase
 - Judicial fines – \$1.4 million or 11.0% increase from future collection strategies
- Non-Operating Revenue - \$2.8 million or 66.8% increase
 - Investment earnings—\$150,000 or 60.0% increase from optimistic market conditions
 - Includes \$2.5 million for a planned inspection fee on vehicles and trucks at the ports of entry





General Fund Revenue Highlights

- Intergovernmental – \$377,255 or 15.9% increase
 - Interlocal Tax Collection Agreement – \$255,453 increase in per parcel fee from \$0.69 to \$0.72 under consideration by taxing entities
- Transfers In - \$965,065 or 4.5% increase
 - Capital Projects Reimbursement – \$2.0 million in reimbursements from the capitalization of IT qualified expenditures
 - Bridge Transfer - \$1.0 million or 9.9% decrease attributed to a decline in pedestrian bridge crossing





Acknowledgements

- Department Management
- Office of Management and Budget
- City Manager's Office
- City Employees





Questions Comments

